



9 October 2009

ASX / MEDIA RELEASE

**MBALAM PROJECT FEASIBILITY STUDY SUBMITTED TO CAMEROON
GOVERNMENT***Further Key Milestone in Sundance's West African Development Strategy*

International iron ore company Sundance Resources Limited (ASX: SDL – "Sundance") is pleased to announce that the Feasibility Study for its Mbalam Iron Ore Project has been presented to the Government of Cameroon.

The Feasibility Study has been submitted by Cam Iron SA, the Company's operating subsidiary in Cameroon, to the Minister of Industry, Mines and Technological Development of the Republic of Cameroon in support of:

- A proposal by Cam Iron SA outlining the key fiscal and development terms for the Project proposed to be included in the Mbalam Convention, and
- A Mining Permit application covering the strategic iron ore deposits identified on Exploration Permit No.92 held by Cam Iron SA including the key Mbarga, Mbarga South and Metzimevin deposits which form the core of the Mbalam Project.

The Environmental and Social Assessment (ESA) for the Mbalam Project has also been presented to the Cameroon Government, with feedback to be provided by the Cameroon Ministry of Environment and Nature Protection (MINEP) prior to release of the document for public review.

Sundance's CEO, Mr Don Lewis, observed that "the completion and submission of the Feasibility Study marks a key milestone in the development of the Mbalam Project as it triggers the process under the Mining Code of Cameroon for the negotiation of the Mbalam Convention and grant of a Mining Permit".

"The Feasibility Study indicates that the Mbalam Project is viable on the basis of securing Government agreement for the proposed fiscal and development terms and the definition of High Grade reserves sufficient to support DSO-quality production for the first 10 years of Project operations," Mr Lewis said.

"The combined High Grade and Itabirite resources already defined at Mbalam are capable of supporting the 25-year term of the Mining Permit, indicating the strategic importance of the Project as a potential long-term supply source to the world iron ore markets."

"Iron ore market fundamentals appear likely to remain strong in the medium to long term fuelled by growth in demand, particularly from China, and limited large-scale supply options outside the current major producers. The development of a major new source of iron ore will clearly be a welcome development for major international steel producers".

Mr Lewis said "the Feasibility Study demonstrated the importance of the Mbalam Project to Cameroon. Significant economic, social and environmental benefits are expected to flow from the project, transforming both the mining sector and the broader economy of Cameroon:

The direct financial benefits to Cameroon will be around US\$5 billion over the life of the Project, derived from:

- Royalties from the sale of iron ore products;
- Corporate and shareholder income taxes;
- Dividends from the Government's equity interest in CamIron SA;
- Taxes paid by employees; and
- Proceeds from establishment of a Social and Environmental Sustainability Fund."

Mr Lewis added that "the forecast financial returns to Cameroon are based on the fiscal package presented in the Feasibility Study to the Government. In addition, there is expected to be significant flow-on benefits through the development of employment, training and new business opportunities as well as regional infrastructure development that should assist related minerals, downstream processing and agri-business opportunities."

Mr Lewis said that the previously foreshadowed re-commencement of drilling was on target to start shortly with arrival of the Company's new drilling rig in Cameroon in mid-October: "if our Exploration Target* of 100 to 250 million tonnes hematite at 55-65% Fe at the Nabeba Deposit is achieved, this will significantly increase the tonnage of High Grade hematite already defined at the Mbarga, Mbarga South and Metzimevin Deposits".

* While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of Exploration Targets in excess of Inferred or Indicated Mineral Resources is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of that estimated for the Mbarga, Mbarga South or Metzimevin Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource for the Nabeba Deposit or other prospects on the Company's landholdings.

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About Sundance Resources Limited

Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on its Mbalam Iron Ore Project as the basis for developing a global iron ore business.

Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Project and nearby projects in Congo and Gabon.

WA-based Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.

Competent Persons Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy.

Mr Longley is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Widenbar is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The estimated quantity and grade of DSO quality supergene mineralisation and underlying itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at the Mbarga Deposit and 200m x 100m pattern for the Inferred Resource at the Mbarga, Mbarga South and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately 1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit. Grade has been estimated by

Ordinary Kriging on composited sample results. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <10% Al₂O₃; Supergene: No cut-off; Transitional: >51% Fe; Phosphorus: >53% Fe and <0.3% P; Hypogene: >52% Fe. Mbarga South is quoted at >50% Fe cut-off and Metzimevin is quoted at >56% Fe cut-off. A nominal 34% Fe cut-off value for the Mbarga Itabirite hematite is used.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 20m x 10m x 10m blocks with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs have been used in the evaluation.

The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying with a range of densities adopted from 3-4t/m³ depending on the iron grade. A density of 3.6t/m³ has been used for the majority of the near-surface High Grade Hematite and a value of 2.6 t/m³ applied to the overlying Surficial Zone. The underlying Transitional Zone has density values assigned via the Itabirite Fe grade regression formula, with a nominal 10% reduction applied to the resultant value to ensure the value is conservative.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and internal standards with comprehensive reporting on laboratory precision and accuracy. Three metallurgical test work programs have supported the assay grades and density values of the major mineral types.

The map boundaries shown in the attached figures are indicative and should not be used for legal purposes. All areas are approximate and maps do not reflect all topographical features.

While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of Exploration Targets is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource for these Exploration Targets and it is uncertain if further exploration will result in determination of a Mineral Resource.

Forward-Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the iron ore mining industry, expectations regarding iron ore prices, production, cash costs and other operating results, growth prospects and the outlook of SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in iron ore prices and exchange rates and business and operational risk management. For a discussion of such factors, refer to SDL's most recent annual report and half year report. SDL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.